

## **Worker Co-operatives and Democracy**

Bernard Marszalek

### ***INTRODUCTION to Co-operatives and Democracy***

*Three months into the UN year of the co-op, after over half a year of OWS and now beginning the fifth year the continuing economic crisis a vast expansion of interest in co-operatives has been generated. More specifically, this interest has focused on the most radical aspect of co-operative development – worker cooperatives. Those of us who are active in promoting a democratic economy, as an alternative to the economy of the oligarchy, can only be pleased with this interest and the inquiries that we have received. On the other hand, some of this new interest brings with it assumptions, misunderstandings and worse, an agenda. To help clarify the place of worker co-operatives in “the larger scheme of things,” from so to speak, the inside out, I am contributing some thoughts based on my experiences. I expect that these comments will elicit some controversy, so I need to say that they represent my opinions alone and do not reflect the views of Inkworks Press, NoBAWC or JASecon. –bernard*

### **Part One**

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Members of worker co-operatives necessarily live schizophrenic lives. On one hand, we must function as owners of small businesses and contend with all the insidious forces of capitalism – the anti-ethic of profits before people. At the same time we are members of an egalitarian corporate entity that most people can't imagine existing, much less thriving. Here we are, a diverse group – some friends, some OK folks and some who we don't socialize with after hours – working together day-in-and-day-out dealing with all the tensions arising from individual personality quirks, the aforementioned forces of the marketplace, unexpected emergencies, and, when everything else is under control, the boredom of daily tedium.

A collective life like this for those who have drunk the Kool-Aid of individualism – also called the Great Ape theory of human nature – think that it must be hell. Of course, when we face “challenges” in our co-operatives, especially during contentious meetings, the thought crosses our minds that, in fact, hell is other people. We all have doubts and wonder, at times, if we have taken the wrong fork on the path of life and have foolishly placed ourselves on a trajectory heading towards a nervous breakdown. Luckily for most of us, this fear passes and we realize that we wouldn't want to trade our bizarre lives for confinement in a cubicle of some “friendly fascist” enterprise – even if it paid more.

To attempt to discuss our unorthodox life-choice with “civilians” can be distressing. Once we have assured our audience that we are not affiliated with a cult, we must then address the expression of incredulity on peoples' faces when we tell them that we are part of an enterprise where all the workers have a voice – an equal voice – in management. In those situations, when we are trying to explain how it is possible that we make it work, that the incredible nature of what we are doing strikes us.

For me, those moments conjure up an imaginary episode in a utopian novel:

*As a delegate from the morning production meeting, I am next to a half-million dollar machine calmly discussing with the operator how to organize the collective work schedule given the priorities of the day. We are doing this in a lighthearted, almost jovial, manner confident that other members of our collective will finish their preliminary tasks so that by the end of the day our work will easily move on to the next stage.*

The ability to collectively manage an enterprise in a democratic manner isn't utopian to us, but is usually perceived as such by those who readily accept the reality dished out at the cafeteria of capitalism. Yet, in a very real sense, to oppose the version of economic life that our fellow citizens accept situates us in a tradition of revolutionary transformation. We may not know much about the Luddites, the Communards of Paris, the sailors of Kronstadt, the Spanish anarchists or the Hungarian workers who seized their factories in '56, but we know enough to know that they all struggled to take control of their lives. Theirs is a history of glorious defeat, and while we are not beautiful losers on that world scale, neither are we so removed from their vision, their dream of a better life, to be oblivious of how that same desire, more or less consciously, motivates us in our work. Upon entering our workplaces we don't salute the altar to the Revolution, nonetheless, no fight by workers to enlarge the scope of their economic self-determination can be foreign to us.

To the world of our co-op suppliers, to the salespersons who call on us and to some of our customers and clients we appear as small business proprietors. To social scientists we are radical democrats who daily push against the confines of the economic system. Amongst ourselves we hesitate to characterize the task we have undertaken with labels, especially political ones, and instead concentrate our energies on problem-solving both economic and personnel issues. If any label comes close to fitting co-operative members it must be that anomaly that refers back to our schizophrenia: we are pragmatic utopians.

It strikes many of us as a little odd, these days, which our miniscule sector of the economy achieves mainstream recognition, as if it were a viable economic alternative. Co-operators are intimately aware of the difficulties of starting a co-operative, much less maintaining one, and realize that this is not a project that one takes down from a shelf to implement in a matter of weeks or months. From concept to full realization, we are talking years in most cases. However, the facts of co-operative development do not drive the popular interest in our co-ops; the vision of a people-based, community-serving economy juxtaposed to the crumbling order around us, piques journalistic inquiries, in almost a millenarian desire, to search for an alternative. And now that OWS (itself no stranger to a "cargo cult" mentality) gears up for resurgence in the spring, we can imagine that that interest will expand.

To adequately respond to future publicity with our meager resources (both financial and organizational) it seems appropriate that we define our limits, so as to contain, if not prevent, disappointments and dashed expectations by the public. And, at the same time, to participate in what appears to be a growing political upheaval (finally), we should clarify our position in relationship to the radical heritage of worker self-determination. The former makes obvious sense, but the latter raises some issues that the worker co-operative community has only

sporadically dealt with. For example, today the largest institutional expression of worker self-determination is the unions and yet very few worker co-operatives are organized. This is unfortunate given the US history of worker co-operatives as defensive worker organizations during strikes, lockouts and cyclical economic collapses in the 19<sup>th</sup> Century. This is the history that John Curl's exhaustive study of co-operatives, *For All the People*, covers. He details the first national organization of workers – The Knights of Labor – and their initiatives to establish dozens of worker co-operatives across the nation in the hopes of developing a Co-operative Commonwealth.

Co-op union membership, where it exists, makes public co-op support for a tangible baseline of benefits that the labor movement won for millions of workers; however, despite the desire to express solidarity with unions, many co-operatives cannot meet the wage and benefit requirements for membership. And even if wages are not an impediment, the undemocratic character of most unions clashes with the egalitarianism of co-ops.

Though the unions portray themselves as the embodiment of the labor interests, the largest unions have not distinguished themselves as tribunes of the working-class when, for example, they capitulate to the corporations as we have seen with the auto industry in the last few years. The more farsighted union organizers and supporters see a future union movement that allies with communities through expanding the presence of local Labor Councils and by encouraging union member participation in various grassroots struggles. And a few exceptional unions believe that with the emergence of OWS a discussion of class-based issues has been opened. Yet even with an expansion of non-traditional unionism, even with a rise of democracy within the labor movement, the worker co-operatives have a distinct economic, and political, agenda to promulgate and will never be subordinated to a labor union program.

If we return to the organizational binary of the worker co-ops – one facet directed towards the marketplace and the other towards utopia – co-operators realize that these facets are not of equal significance. Issues related to the marketplace might dominate the concerns of the collective, especially when the bottom line is endangered and the financial picture requires sacrifices on one level or another. Granted, that if this situation persists, the whole psychology of the membership may resemble an army in full retreat. It can be devastating. The utopian facet, on the other hand, determines how well the co-operative cooperates in extreme circumstances, how resilient it is in the face of distress. All co-op developers, for instance, stress communication skills – to formulate precise statements and to listen intently to others – so that neophyte co-operators can learn decision-making through a democratic meeting process. Smoothly run meetings, where all opinions are heard, establish trust amongst members. The command structure of traditional work places, on the contrary, generates a toxic response of revengeful and snide backbiting amongst the employees. No democratic workplace can tolerate that. Even the corporate world knows this and pretends to mollify the boot camp regimentation of a former era with all sorts of HR subterfuges.

Clear communication builds trust and just as importantly an individual's ability to work collectively contributes to trust. The work ethic in a co-operative is defined by solidarity, not sacrifice. Co-operatives do not see the work ethic like a boss, who simply wants his workers to burn calories at a profitable rate for himself. The work ethic functions in co-operatives as an

aspect of companionability. In co-operatives tasks get done with healthy collaboration. Working together is the concrete manifestation of the democratic control that co-operators endorse, and so each member's contribution is individualized. Some may be faster at a task, but others add flair, grace and precision, while others contribute merriment that makes any task easier to manage. So long as the group accomplishes the task agreeably, these individual nuances are encouraged and not simply tolerated. No aspect of a worker co-operative better defines its character – its radical nature – than how it manages its work. The constraints of capitalism define the overall context, but the management of the enterprise, the expression of its radical democratic goals, creates a buffer against the imperatives of an oppressive economic system. What we have with these methods and practices of worker co-operatives can be considered tools for democracy. And like any tools, as they are used, they are refined to improve their effectiveness.

Though the worker co-operative sector, as was mentioned, amounts to an almost insignificant economic factor in the larger, hostile economy, as an exploration of pragmatic utopianism it resonates with a history of liberation that resolutely situates itself outside the boundaries of capitalism. And yet, liked a caged bird, worker co-ops contend with their confinement as best they can. This is not an enviable situation. The more that we try to develop our autonomy within our collective process, the more confining seems our cage. The joy of recognition that we experience with other co-operators at local meetings or national conferences seem to be the only times that we glimpse a world as we would like to see it – a world where our values are recognized by others outside our immediate collectivity. Speculations like this border on the cultish, as if we can build a democratic movement simply by hanging together. Worker co-ops precisely because they promote, from the political sphere, the human right of one person, one vote and apply it to the economic sphere, bring a unique contribution to an alliance with other partisans of freedom. And it is in *political* alliance with others, I believe, that the worker co-ops will have their greatest impact extending democracy throughout society. Democratic control is not a static concept; it must be practiced. And in our workplaces we can practice it daily.

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